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## Column: Patients deserve more options

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Imagine that, at the worst time in your life, the drug treatments that you need are not available in the state. They are available in neighboring states, but not in Michigan. You and your doctor will have to choose between an older drug or you will have to travel away from home to get the care that your doctor recommends.

Fortunately, this is not the reality in Michigan ... yet. But legislation now under consideration could make that nightmare scenario a reality for some Michigan patients, making the fight to save their lives even more difficult.

**House Bill 5223 threatens to do far more harm than good.** The legislation seeks to impose intrusive reporting requirements on prescription drug manufacturers that sell high-cost drug treatments in the state. In addition to the onerous administrative burden that the bill would impose, the proposed law would also force the manufacturer to disclose confidential business information about the research and development costs of the drugs, including "trade secrets."

While some companies may willingly comply if the proposed bill becomes law, others may, instead, choose not to do business in the state. The wealthy and well-connected Michiganders would continue to seek treatment at the leading medical research hospitals across the country, but those without the means to escape Michigan for cutting-edge treatments could be left with fewer options, relying on older and less effective treatments.

Proponents of this bill are likely interested in targeting the high cost of some drug treatments. Unfortunately, this misguided approach fails to understand some of the underlying factors that contribute to these high prices.

According to the Tufts Center for the Study of Drug Development, it takes an average of more than \$2.5 billion to bring a drug to market. This includes costs involved in developing failed precursors to the drug that obtains FDA approval.

In addition, "wholesale prices" and list prices can be much higher than what health insurers, government programs, and other payers ultimately pay. A recent study by Quintiles IMS, a human data science research and consulting firm, revealed that predicted drug spending increases were lower than previously claimed once rebates, or price discounts that are reimbursed back to the

insurer were accounted for. In fact, this research revealed that in 1996, for example, drug spending increased by 3.5 percent, not the highly publicized 9.2 percent.

The reality of drug costs is that its contribution to health care expenditures has remained relatively constant over the years. Drugs account for about 10 percent of all medical expenditures and about 20 percent of serious diseases such as cancer.

Since 1991, the nation's cancer death rate has dropped by 25 percent. Some cancers, like chronic myelogenous leukemia, are no longer a death sentence; metastatic melanoma, previously a death sentence, can now sometimes be controlled such as was done for President Carter. Hepatitis C can be cured with a short course of pills; and today the life expectancy of HIV patients is about the same as the general population. It is important to remember that today's drug treatments are, often, enormous advances in disease treatment.

The discussions around prescription drugs should include discussions about how to best provide for affordable treatments, but should not do so at the expense of vulnerable patients or innovation. Advances in drug treatments mean that patients who, in decades past would have been told to get their affairs in order because their remaining time was very limited, are now enjoying more sunsets, living long enough to meet new grandchildren, and looking forward to their next life adventure. HB 5223 might go a long way in virtue signaling and political grandstanding, but it could leave patients with fewer treatment options.

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